



State of Arizona Accounting Manual

Topic 45 Expenditures, Expenses and Disbursements
Section 23 **Using PayPal and Similar Services to
Process Payments**

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INTRODUCTION

PayPal is an online payment processing service and, as such, performs certain functions equivalent to those provided by a bank. Other commercial enterprises and payment processors offer services similar to those provided by PayPal.

POLICY & PROCEDURES

1. An agency may:
 - 1.1. Make payments to or through PayPal or another payment processing service, if and only if no other means of making a given payment is practicable.
 - 1.1.1. PayPal or another payment processing service might, for example, be appropriately used when registering online for an event that only accepts PayPal as a means of payment.
 - 1.2. Provide PayPal or another payment processing service sufficient P-Card information—such as account name, account number, expiration date and security code—to establish an account.
2. An agency may not:
 - 2.1. Provide PayPal or another payment processing service the account name, account number or routing transit number of any bank account in which State monies are deposited or from which State monies may be disbursed.